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NOTIFICATION.

(LAW DEPARTMENT).

No. LAW 43 LGN 65, Bangalore, dated 19th February 1966.

Ordered that the Mysore Sales Tax (Amendment) Act, 1965 which received the assent of the President on the 12th day of February 1966, be published as Mysore Act No. 3 of 1966 in the *Mysore Gazette* for general information.

MYSORE ACT No. 3 OF 1966.

(*First published in the* Mysore Gazette (Extraordinary) *on the Nineteenth day of February 1966*).

THE MYSORE SALES TAX (AMENDMENT) ACT, 1965.

(*Received the assent of the President on the Twelfth day of February 1966*).

An Act further to amend the Mysore Sales Tax Act, 1957.

WHEREAS it is expedient further to amend the Mysore Sales Tax Act, 1957 (Mysore Act 25 of 1957) ;

BE it enacted by the Mysore State Legislature in the Sixteenth Year of the Republic of India as follows :—

1. Short title and commencement.—(1) This Act may be called the Mysore Sales Tax (Amendment) Act, 1965.

(2) It shall come into force on such date as the State Government may, by notification in the official Gazette, appoint.

2. Amendment of section 5.—In section 5 of the Mysore Sales Tax Act, 1957 (hereinafter referred to as the principal Act),—

(1) in the second proviso to sub-section (1), for the words "gunny bags and bardans", the words "gunny bags and bardans and hessian cloth" shall be substituted ;

(2) in sub-section (2), for the words, figures and brackets "on the sale of any goods in respect of which he has furnished a declaration under sub-section (4) of section 8 of the Central Sales Tax Act, 1956", the words, figures and brackets "on the sale of any goods which he has purchased in the course of inter-state trade or commerce in respect of which the concessional rate of tax under clause (b) of sub-section (1) of section 8 of the Central Sales Tax Act, 1956, has been levied" shall be substituted ;

(3) after sub-section (3), the following sub-section shall be inserted, namely :—

"(3A) Notwithstanding anything contained in sub-section (1) or sub-section (3), the tax payable by a dealer in respect of any sale of goods mentioned in the Second Schedule by such dealer to a registered dealer for use by the latter as component part of any other goods mentioned in that Schedule, which he intends to manufacture inside the State for sale, shall be at the rate of two per cent or the rate specified in the Second Schedule in respect of such goods whichever is lower on the turnover relating to such sale:

PROVIDED that the provisions of this sub-section shall not apply to any sale unless the dealer selling the goods furnishes to the assessing authority in the prescribed manner a declaration duly filled in and signed by the dealer to whom the goods are sold containing the prescribed particulars in a prescribed form obtained from the prescribed authority.

Explanation:—For the purpose of this sub-section, "component part" means an article which forms an identifiable constituent of the finished product and which along with others goes to make up the finished product."

3. Amendment of section 12.—In section 12 of the principal Act, after sub-section (3), the following sub-section shall be inserted, namely :—

"(4) When making any assessment under sub-section (3), the assessing authority may also direct the dealer to pay, in addition to the tax assessed, a penalty not exceeding one and a half times the amount of tax due on the turnover that was not disclosed by the dealer in his return or, in the case of failure to submit a return, one and a half times the tax assessed, as the case may be."

4. Amendment of section 12 B.—After sub-section (2) of section 12 B of the principal Act, the following proviso shall be inserted, namely :—

"Provided that in the case of an assessment made under clause (*b*) or clause (*c*), the assessing authority may make a fresh assessment under clause (*a*) if on the completion of the final assessment for the preceding year it is found that the amount of tax finally assessed for the preceding year is more than the amount of tax provisionally fixed for the current year under clause (*b*) or clause (*c*)."

5. Amendment of section 13.—In section 13 of the principal Act, after sub-section (2), the following sub-section shall be inserted, namely:—

"(2A) Notwithstanding anything contained in sub-section (2), the State Government may, subject to such conditions as may be prescribed, remit the whole or any part of the penalty payable in respect of any period by any person or class of persons."

6. Amendment of section 17.—In sub-section (1) of section 17 of the principal Act, for the table of rates, the following table shall be substituted, namely :—

Total turnover	Rate
(i) Where the total turnover is not less than seven thousand and five hundred rupees but is less than ten thousand rupees.	Seven rupees and fifty paise per mensem.
(ii) Where the total turnover is not less than ten thousand rupees, but is less than fifteen thousand rupees.	Fifteen rupees per mensem.

Total turnover	Rate
(iii) Where the total turnover is not less than fifteen thousand rupees, but is less than twenty thousand rupees.	Twenty rupees per mensem.
(iv) Where the total turnover is not less than twenty thousand rupees, but not more than twenty five thousand rupees.	Twenty five rupees per mensem.

"

7. **Amendment of section 18.**—In section 18 of the principal Act, sub-sections (3) and (4) shall be omitted.

8. **Amendment of section 22.**—In sub-section (1) of section 22 of the principal Act, for the words and figures "under section 20 or section 21", the words, figures and letter "under section 12A or section 20 or section 21" shall be substituted.

9. **Amendment of section 36.**—For clause (*c*) of section 36 of the principal Act, the following clause shall be substituted, namely :—

"(*c*) subject to such conditions as may be prescribed, by an Accountant or by a person enrolled in the prescribed manner as a Sales Tax Practitioner by the Commissioner, and duly authorised by the person whom he represents."

10. **Amendment of section 38.**—In sub-section (2) of ection 38 of the principal Act, after clause (*j*-4), the following clause shall be inserted, namely:—

"(*j*-5) the qualifications and disqualifications of Sales Tax Practitioners, the procedure for their enrolment, the fees payable for enrolment and the fees payable for annual renewal of such enrolment;"

11. Amendment of the Second Schedule.—In the Second Schedule to the principal Act,—

(1) serial number 26 shall be omitted ;

(2) in the third column of serial number 37, for the words "Two per cent", the words "Four per cent" shall be substituted ;

(3) serial number 41 shall be omitted;

4) serial number 81 shall be omitted;

(5) after the entry relating to serial number 82, the following entry shall be inserted, namely:—

"83. Handlooms and parts and accessories thereof ....Two per cent"

12. Amendment of the Third Schedule .— In the Third Schedule to the principal Act,—

(1) in column 3 of serial number 4 for the abbreviation "do", the words "Purchase by the last dealer in the State liable to tax under this Act" shall be substituted ;

(2) serial number 6 shall be omitted;

(3) in column 3 of serial number 7, for the abbreviation "do", the words "Purchase by the first or earliest of successive dealers in the State liable to tax under this Act," shall be substituted.

13. Amendment of the Fourth Schedule.—In the Fourth Schedule to the principal Act,—

(1) in the entry relating to serial number 5 (*b*), after the words "Coconut and copra" in column 2, the following words shall be added, namely :—

" cardamom, castor seeds, Honge seeds, Neem seeds, Till (Gingelly) seeds, Kusum (Kardi) seeds and Niger (Ram Til);"

(2) in the entry relating to serial number 5 (*d*), for the entry in column 3 thereof, the words "Sale by the first or

earliest of successive dealers in the State liable to tax under this Act." shall be substituted;

(3) in column 4 of serial number 6, for the words "One per cent" the words "Two per cent" shall be substituted.

14. Amendment of the Fifth Schedule.—In the Fifth Schedule to the principal Act,—

(1) in the entry relating to serial number 22, after item (*iii*), the following item shall be added, namely—

"(*iv*) by canteens which are run in factories and other industrial concerns as an amenity provided for the employees of such factories or concerns on a "no profit" basis under the provisions of the Factories Act, when such articles are sold, supplied or distributed to such employees.";

(2) after the entry relating to serial number 41, the following entry shall be added, namely :—

"42. Electrical instruments sold to Educational Institutions for use as teaching aids."

By Order and in the name of the Governor of Mysore,

R. SANJEEVALU,
Secretary to Government,
Law Department.

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